

Message Text

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ORIGIN COME-00

INFO OCT-01 CIAE-00 DODE-00 EB-07 NRC-05 NSAE-00 USIA-06
TRSE-00 AF-08 ERDA-05 ISO-00 /032 R

DRAFTED BY OEA/CD:RMC GEEHAN:LWH
APPROVED BY EB/ITP/EWT:AREICHENBACH
COMMERCE/OEA - CBCLEMENTS

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P 101500Z DEC 76
FM SECSTATE WASHDC
TO AMCONSUL JOHANNESBURG PRIORITY
AMEMBASSY PRETORIA

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EXCON

E.O. 11652: N/A

TAGS: ESTC, PINR, SF

SUBJECT: PRE-LICENSE CHECK: CGS THERMODYNAMICS (PTY) LTD.,
16 CENTRAL ROAD, FORBSBURG 2033, JOHANNESBURG,
REPUBLIC OF SOUTH AFRICA

REF: OEA/CD SURVEY CASE 3-198

1. IN ORDER TO PREVENT SOUGHT AFTER STRATEGIC-RATED
HIGH-TECHNOLOGY PRODUCTION AND TESTING EQUIPMENT FOR
SEMICONDUCTOR DEVICES BEING DIVERTED TO PRC, USSR AND
OTHER EAST EUROPEAN COUNTRIES REQUEST POST CONDUCT PRE-
LICENSING CHECK ON FOLLOWING TRANSACTION.

2. MACRODATA INTERNATIONAL, WOODLAND HILLS, CALIF.,
APPLIED FOR EXPORT LICENSE (BEWT CASE NO. A234456) TO SHIP
ONE MD-104M LSI TEST SYSTEM COMPLETE WITH ACCESSORIES/
OPTIONS AND SPARE PARTS, VALUE: 1,000,000 DOLLARS, TO
SUBJECT FIRM.

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3. STATED END-USE: TESTING OF SEMICONDUCTOR MEMORIES.

APPLICANT INDICATED THAT ULTIMATE CONSIGNEE FORWARDING
BY MAIL SUPPORTING DOCUMENTS THAT INCLUDE SINGLE
TRANSACTION CERTIFICATION NO. 76/26 AND DEPT. OF

INDUSTRIES CERTIFICATE NO. 2440.

4. APPLICANT'S LETTER ATTACHED TO APPLICATION PROVIDES
ADDITIONAL INFORMATION. (QUOTE) AS OUR CUSTOMER STIPULATED,
THEY WILL NOT RELEASE AN IRREVOCABLE LETTER OF CREDIT
UNTIL I ADVISE THEM OF YOUR ISSUANCE OF VALIDATED EXPORT
LICENSE, AND IT IS CONDITION OF PURCHASE ORDER, THAT WE
MAKE SHIPMENT ON OR BEFORE DECEMBER 23, 1976 OR SUFFER
PENALTIES. (UNQUOTE). MACRODATA FURTHER INDICATES
WELLS FARGO BANK CHECKED THROUGH CUSTOMER'S BANK,
VOLKSKAS LTD. BANK, THAT SUBJECT FIRM AN ESTABLISHED
OPERATING CONCERN WITH CREDIT FOR SUCH TRANSACTION.
ABOVEMENTIONED EQUIPMENT ALONG WITH SIMILAR U.S.-ORIGIN
EQUIPMENT TO BE INSTALLED IN GOVERNMENT SPONSORED NEW
SEMICONDUCTOR TEST FACILITY IN EITHER PRETORIA OR
JOHANNESBURG.

5. OEA/CD AND OTHER INDICES CONTAIN NO INFORMATION
ON SUBJECT.

6. INTERNATIONAL D AND B AND WTDR REFERENCES CONSULTED;
WHILE NO RECORD OF SUBJECT FIRM D AND B, WTDR RECORDS
INDICATE THAT DOC REQUEST SENT ON 11/5/76.

7. THE PROFILE OF CONDITIONS THAT ORDINARILY ATTEND
TRANSACTION(S) OF THIS KIND EQUIPMENT: A) PURCHASER
WOULD BE ESTABLISHED FIRM EMPLOYING HIGHLY SKILLED
TECHNICIANS, B) NUMBER OF EMPLOYEES IN RANGE 50 TO 100,
C) ROOMS WHERE EQUIPMENT TO BE INSTALLED WOULD MEET
LABORATORY STANDARDS, E.G., CONTROLLED TEMPERATURE, DUST/
DIRT FREE, D) OVERALL MANUFACTURING FACILITY WOULD CONSIST
OF SEGREGATED OPERATIONS, I.E., SERIES OF ROOMS FOR VARIOUS
PRODUCTION STAGES SUCH AS SLICING, POLISHING, CHEMICAL
PHASE, PHOTO AREA ETC.

8. LEITMOTIF RECENT INVESTIGATIONS REVEAL ATTEMPTS TO
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SIMULATE ABOVEMENTIONED PRE-INSTALLATION CONDITIONS,
I.E., EDO USUALLY TOLD ABOUT OR TAKEN TO CONSTRUCTION

SITE WHERE EQUIPMENT TO BE INSTALLED WHEN CONSTRUCTION
COMPLETED OR BUILDING SPACE RENOVATED. EDO CAN GUARD
AGAINST SUCH RUSE BY BEARING IN MIND THAT IT IS NOT
FINANCIALLY FEASIBLE TO PURCHASE SUCH EXPENSIVE EQUIPMENT

UNLESS IT IS INSTALLED AND IN USE BY COMPETENT PERSONNEL
WITHIN RELATIVELY SHORT PERIOD OF FEW WEEKS.

ACTION REQUESTED:

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9. JOHANNESBURG VISIT SUBJECT FIRM. DETERMINE BONA
FIDES OF TRANSACTION BY EXAMINATION OF DOCUMENTS/

CORRESPONDENCE (LETTER OF CREDIT, QUOTATION REQUEST,
PURCHASE ORDER ETC.) RELATED TO TRANSACTION. (NOTE:
SPECIAL ATTENTION SHOULD BE GIVEN TO ANY DOCUMENTATION
THAT INDICATES SOURCE OF FUNDS. ALSO, IF SUBJECT FIRM
EXPRESSED ROUTING PREFERENCE FOR GOODS, ASK WHICH CITIES/
NAMES OF FORWARDERS INVOLVED.) ASK TO SEE COPY OF
CONTRACT WITH GOVERNMENT. OBTAIN NAMES OF GOVERNMENT
OFFICIALS INVOLVED. ENCOURAGE FIRM TO DISCUSS THIS AND
OTHER ORDERS WITH U.S. FIRMS WHERE GOODS DESTINED FOR
PROPOSED GOVERNMENT FACILITY. IF SUBJECT FIRM HAS OWN
MANUFACTURING/TESTING FACILITY, ASK TO SEE IT. REQUEST
PRETORIA CONTACT GOVERNMENT OFFICIALS INVOLVED WITH
PROJECT. CORROBORATE INFORMATION PROVIDED BY SUBJECT,
ESPECIALLY DETAILS IN CONTRACT SUCH AS LIST OF GOODS,
TERMS OF PAYMENT, PROPOSED LOCATION OF FACILITY/COMPLETION
DATE ETC. VERIFY THAT DEPT. OF INDUSTRIES CERTIFICATE
NO. 2440 COVERS EQUIPMENT FOR THIS PROJECT.

10. SUBJECT SHOULD COMPLETE WTDR INFORMATION IF HE HAS
NOT DONE SO.

11. PLEASE CABLE RESULTS PRE-LICENSE CHECK SOONEST. ROBINSON

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EXPORT CONTROLS, EXPORT LICENSES, END USE CHECKS
Control Number: n/a
Copy: SINGLE
Draft Date: 10 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: buchant0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE300546
Document Source: CORE
Document Unique ID: 00
Drafter: RMCGEHAN:LWH
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760456-0959
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761253/aaaabtnr.tel
Line Count: 145
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN COME
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: buchant0
Review Comment: n/a
Review Content Flags:
Review Date: 01 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <01 JUL 2004 by ShawDG>; APPROVED <20 OCT 2004 by buchant0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PRE-LICENSE CHECK: CGS THERMODYNAMICS (PTY) LTD., 16 CENTRAL ROAD, FORBSBURG 2033, JOHANNESBURG, REPUBLIC OF SOUTH AFRICA
TAGS: ESTC, PINR, SF, US, CGS THERMODYNAMICS LTD
To: JOHANNESBURG PRETORIA
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006